

1 The City Council of the City of Seabrook met in regular session on Tuesday, January 16, 2018 at
2 7:00 p.m. in Seabrook City Hall, 1700 First Street, Seabrook, Texas to discuss, consider and if
3 appropriate, take action on the items listed below.

4
5 **THOSE PRESENT WERE:**

6 THOM KOLUPSKI	MAYOR
7 ROBERT LLORENTE	COUNCIL PLACE NO. 1
8 LAURA DAVIS	COUNCIL PLACE NO. 2
9 GARY JOHNSON	MAYOR PRO TEM &
10	COUNCIL PLACE NO. 3
11 NATALIE PICHA	COUNCIL PLACE NO. 4
12 GLENNA ADOVASIO	COUNCIL PLACE NO. 5
13 JOE MACHOL	COUNCIL PLACE NO. 6
14 GAYLE COOK	CITY MANAGER
15 SEAN LANDIS	DEPUTY CITY MANAGER
16 STEVE WEATHERED – left mtg 8:28pm	CITY ATTORNEY
17 ROBIN HICKS	CITY SECRETARY
18	

19 Mayor Kolupski called the meeting to order at 7:00 p.m. and led the audience in the Pledges of
20 Allegiance.

21
22 **1. PRESENTATIONS**

23
24 **1.1** Presentation regarding the Low Income Housing Tax Credit (LIHTC) application by
25 Seaside Lodge at Chesapeake Bay to request a Resolution of Support from City Council.
26 (Applicant)

27
28 David Kugler, of Mark-Dana Corporation, explained that this project is to apply for tax
29 credits. TDHCA requires that the tax credit applicant discloses to the local City Council that
30 plans may change slightly as the applicant goes through the tax credit process. The project
31 location is where Elam dead ends at Larabee Street. Seaside Lodge will split Phase 4 of the
32 Chesapeake Bay Master Planned Community, and will be located on the right 4.2 acres. The
33 main building, built with stone and hardi plank and 100% exterior masonry (no exposed wood),
34 will be a three story elevator served building for 55 yrs and older seniors. There will be a two
35 story amenity center and club room. Highland Manor in La Marque, built in 2010, is an example
36 of the look and the quality of the Mark-Dana Corporation projects. Seaside Lodge will have 92
37 accessible living units with two elevators, a swimming pool, and club room with kitchen and tv,
38 a conference room, laundry facilities, a fitness room and a fully equipped business center.
39 Tenants will be provided services such as financial management and educational classes, which
40 is a requirement under the tax credit program. Living units will be energy efficient with laundry
41 connections, carpeting in bedrooms, smoke detectors, hard grade vinyl plank in common areas,
42 wired for phone-cable-data, 9 ft. ceilings, and tile in bathrooms. Similar projects bring about
43 \$578,000 in taxes and other revenue for local governments with 184 jobs.
44

Tax credit program is a way to finance the project with 9% tax credit. The tax credit program requires architecture plans, elevations, floor plans, and environmental. The award will be for this specific project. Once a developer receives a tax credit award, he is committed to what is in the application. It will be a senior project. January 9 is the deadline for submitting the pre-application. Input from elected officials is required (including a resolution of support). The tax credit award will not be given without the resolution of support. 60 plus pre-applications were filed for this region on January 9. Probably 7-8 applications will be awarded. Seaside Lodge is the only one in Seabrook. Most applications were within the city limits of the City of Houston. TDHCA is very detailed and picky. A preliminary ranking will be released in mid May and the final award will be in late July. The goal is to close on the property by October 30 and start construction immediately.

The tax credit program was signed into law by Ronald Reagan, and it is not a HUD program. It's a public-private partnership. Tax credits are awarded to a specific development and then sold to a large financial institution. The developer takes about 70% funding from the large financial institution, then the rest of the development cost is financed with traditional, conventional bank financing. In turn, for the purchase of the tax credits, the developer agrees to restrict the rents and to not rent to people of certain income levels. Really low income people will not qualify. It's really a mid income level project. Because the project has only 30% debt, the same building can be built, but rented for a lot less.

The Area Median Family Income (AMFI) for Harris County is approximately \$71,500.
60% AMFI = \$42,900
50% AMFI = \$35,750

40% of the units will make up 50% AMFI or less
50% of the units will make up 60% AMFI
10% of the units will make up 30% AMFI

Rent limits are determined by formula assuming that a tenant should not spend more than 30% of his/her income.

MAX GROSS RENTS*:

1 bedroom : 10 units at 30% AMFI = \$402/month
1 bedroom : 25 units at 50% AMFI = \$670/mo
1 bedroom : 12 units at 60% AMFI = \$804/mo
2 bedroom : none at 30% AMFI
2 bedroom : 11 units at 50% AMFI = \$805/mo
2 bedroom : 34 units at 60% AMFI = \$966/mo

*Gross rent includes an estimated utility allowance of \$110 for 1 BR and \$149 for 2BR.

Application has the net rents in it. Renters will be their own electric, water, sewer.

Long-term compliance is required by TDHCD and management must must screen tenants for actual ability to pay rent. Annual file audits and periodic site inspections will continue for up to 35 years.

Tenant Screening:

Full criminal background checks

Credit checks

Must be employed or show source of income

Work verification is re-certified every year

Must make 2.5 times the rent in income to qualify

Zero tolerance policy for criminal activity

Mark-Dana is here for the long term. The property will not be sold in 2-5 years. It is available to sell to another tax incentive type owner, but Mark-Dana Corporation has never sold a property. If a tax credit project is sold, the buyer has to comply with all the rules. All tax credit projects enter into a land use restriction agreement with TDHCA, and that agreement gets filed with the deed records.

Mark-Dana Corporation is a family owned company, started by applicant's parents in Virginia. Applicant went to law school, then worked at a law firm in Houston for 19 years at corporate/finance work. Both parents turned 90 this year and are still active in the business. Company owned by sister, father, mother, and applicant. When Applicant joined the company, Mark-Dana started developing in Texas. The corporation has about the same number of units in both states and is active in both states.

The first development was Highland Manor in LaMarque, and the architect, Martin Casey, designed Chesapeake Bay.

Mark-Dana Corporation also has properties in Spring, Magnolia, Pasadena, and Katy.

Occupancy rates are as close to 100% as can be, about 98%. The tenants tend to live out their lives in our units, or sometimes leave because they need assisted living. Security at the properties includes full perimeter fencing, gates that operate with a code or clicker, and cameras in key areas. The management of the properties works closely with local police.

Marketing for tax credit properties is just like conventional for other properties. The term "affordable housing" is not normally in the marketing pieces because sometimes tenants will disqualify themselves, even when they might be qualified. The formula is complicated on the qualification. It is an IRS program and the IRS has rules. As long as the income flow is less than the income maximum, the person qualifies to live there. People have to fill out an application before they know for sure if they are over income. Marketing is for high quality housing, and the leasing agent will determine the qualification. It works out well with Chesapeake.

Because of the aging population in an over 55 project, overtaxing EMS might be a concern; however, there have been no issues at other senior properties and no one has complained. Tenants are generally from the community where the property is located.

Completion of construction would be in 18 months. The schedule will be for 12 months, with the plan to build in less time; however, other factors could play a role, like the weather/rain delays. In addition, apartment building in this area has not slowed down, so there's a huge demand for construction workers. The tax credit program allows for pre-leasing because the tenants have to go through a qualification process that takes time, but the final qualification is only good for 90 days. On time construction completion is important.

2. PUBLIC COMMENTS AND ANNOUNCEMENTS - none

2.1 Mayor, City Council and/or members of the city staff may make announcements about city/community events. (Council)

Councilmember Adovasio announced several upcoming events, including the May 5, 2018 General Election candidate filing period; Yachty Gras; Men Who Cook; and a Birding Seminar at Carothers.

By Council consensus Mayor Kolupski moved the executive session up on the agenda.

6. CLOSED EXECUTIVE SESSION

6.1 Section 551.071

Conduct a closed executive session with the City Attorney to receive legal advice on a contract between the City of Seabrook and the Clear Lake Emergency Medical Corps (CLEMC). (Cook)

At 7:48 p.m. Mayor Kolupski announced that the City Council will now hold a closed executive meeting pursuant to the provisions of the Open Meetings Act, Chapter 551 Government Code, and Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.071, Consultation with an Attorney.

7. OPEN SESSION

Council will reconvene in open session to allow for possible action on any of the agenda items listed above under "Executive Session."

At 8:27 p.m. Mayor Kolupski reconvened the meeting in open session and stated that item 6.1 had been discussed, but that no action had been taken in executive session.

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180 **3. *CONSENT AGENDA***
181

182 **3.1** Approve on second reading proposed Ordinance 2018-02, "Amending the City of Seabrook
183 City Code of Ordinances to Update 'Appendix B' 'Master Fee Schedule'". (Cook)
184

185 AN ORDINANCE AMENDING THE CODE OF THE CITY OF SEABROOK, TO UPDATE
186 "APPENDIX B", ENTITLED "MASTER FEE SCHEDULE" BY UPDATING AND
187 AMENDING SECURITY FEE FOR TRAFFIC OFFICER AND SANITATION AND
188 COLLECTION FEES; ADDING RATES FOR ADDITIONAL TRASH AND RECYCLING
189 CARTS AND LOCKS; CORRECTING MISSPELLINGS; MAKING FINDINGS OF FACT;
190 REPEALING AND REPLACING ALL REFERENCES TO SUCH FEES AND CHARGES IN
191 ALL ORDINANCES OR RESOLUTIONS IN CONFLICT WITH THIS ORDINANCE;
192 PROVIDING FOR SEVERABILITY; AND PROVIDING FOR NOTICE AND EFFECTIVE
193 DATE
194

195 **3.2** Approve on second of two readings proposed Resolution 2018-06, "EDC Project
196 Designation 'Highway 146 Project' Redevelopment". (Chavez)
197

198 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEABROOK, TEXAS,
199 APPROVING FUNDING BY THE SEABROOK ECONOMIC DEVELOPMENT
200 CORPORATION ("SEDC") FOR THE "HIGHWAY 146 PROJECT", MADE NECESSARY
201 DUE TO ROADWAY EXPANSION OF HIGHWAY 146 BY THE TEXAS DEPARTMENT
202 OF TRANSPORTATION (TXDOT), FROM THE BOUNDARY LIMITS, NORTH TO SOUTH
203 OF THE CITY OF SEABROOK, FOR EXPENDITURES CONSISTENT WITH THE
204 PURPOSES AND DUTIES AS A "TYPE B" CORPORATION FOR ROADS, UTILITIES,
205 DRAINAGE, SITE IMPROVEMENTS, TELECOMMUNICATION AND RELATED
206 IMPROVEMENTS, INCLUDING LAND, BUILDING, EQUIPMENT, FACILITIES,
207 EXPENDITURES, AND INCENTIVES FOUND BY THE BOARD OF DIRECTORS OF THE
208 SEDC TO BE NECESSARY TO PROMOTE OR DEVELOP NEW OR EXPANDED
209 BUSINESS DEVELOPMENT AND/OR CREATE OR RETAIN PRIMARY JOBS
210 ("PROJECT"), IN AN AMOUNT NOT TO EXCEED \$1,000,000.00, AS AN AUTHORIZED
211 PROJECT OF THE SEABROOK ECONOMIC DEVELOPMENT CORPORATION
212

213 **3.3** Approve the Clear Lake Emergency Medical Corps (CLEMC) monthly reports for
214 November and December 2017. (Hunter)
215

216 **3.4** Approve the Seabrook Volunteer Fire Department (SVFD) monthly reports for September,
217 October, November, and December 2017. (Gutaker)
218

219 **3.5** Approve the Seabrook Police Department monthly reports for November and
220 December 2017. (Wright)
221

222 **3.6** Approve the Seabrook Building Department monthly reports for November and
223 December 2017. (Landis)

224 **3.7** Approve minutes of the January 2, 2018 regular City Council meeting. (Hicks)

225
226 Motion was made by Councilmember Adovasio and seconded by Councilmember Machol

227
228 To approve the Consent Agenda as presented

229
230 MOTION CARRIED BY UNANIMOUS CONSENT

231
232 **4. NEW BUSINESS**

233
234 **4.1** Consider and take all appropriate action on first reading of proposed Ordinance 2018-03,
235 "Amendments to the Seaside RV Resort and Cabanas PUD" (Landis)

236
237 AN ORDINANCE AMENDING ORDINANCE 2017-07 APPROVING "SEASIDE RV
238 RESORT AND CABANAS PUD", A TRACT OF APPROXIMATELY 8.822 ACRES
239 SITUATED IN ABSTRACT 52, OF THE RITSON MORRIS SURVEY, IN SEABROOK,
240 HARRIS COUNTY, TEXAS, LOCATED IMMEDIATELY EAST OF OLD HIGHWAY 146
241 AND NORTH OF RED BLUFF ROAD, BEING MORE PARTICULARLY DESCRIBED BY
242 METES AND BOUNDS IN EXHIBIT "A," BY REVISING THE EXISTING PLANNED UNIT
243 DEVELOPMENT ("PUD") PLAN, REGULATIONS, RESTRICTIONS AND CONDITIONS
244 ("PLAN") ONLY IN RELATION TO THE MODIFICATION OF THE SITE PLAN, TO
245 PROVIDE FOR A SINGLE MEANS OF EGRESS TO BE LOCATED EAST OF OLD STATE
246 HIGHWAY 146, ELIMINATING THE SECONDARY MEANS OF EGRESS NORTH OF
247 RED BLUFF ROAD, ADJUSTING THE NUMBER OF "CLASS A" RV SITES FROM 90
248 SITES TO 86 SITES, AND THE NUMBER OF RENTAL CABANAS FROM 40 UNITS TO 37
249 UNITS, AS MORE PARTICULARLY DESCRIBED IN EXHIBIT "B"; REPEALING ALL
250 ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT OR IN CONFLICT
251 HERewith; PROVIDING FOR A PENALTY IN AN AMOUNT NOT TO EXCEED \$2,000
252 FOR EACH DAY OF VIOLATION OF ANY PROVISION HEREOF BY INCLUSION INTO
253 THE CODE; AND PROVIDING FOR SEVERABILITY AND NOTICE

254
255 Sean Landis, Deputy City Manager, stated that the Planning & Zoning Commission
256 recommends approval by unanimous vote.

257
258 Motion was made by Councilmember Llorente and seconded by Councilmember Davis

259
260 To approve on first reading proposed Ordinance 2018-03, "Amendments to the Seaside RV
261 Resort and Cabanas PUD".

262
263 MOTION CARRIED BY UNANIMOUS CONSENT

267 4.2 Consider and take all appropriate action on first and final reading of proposed Ordinance
268 2018-04, "Ordering the General City Election to be Held on May 5, 2018 and a June 16, 2018
269 Run Off Election, if necessary". (Hicks)
270

271 AN ORDINANCE CALLING AND ESTABLISHING PROCEDURES FOR THE GENERAL
272 CITY OFFICERS' ELECTION FOR COUNCIL POSITIONS 1, 3, AND 5 TO BE HELD ON
273 MAY 5, 2018; AND FOR A RUN OFF ELECTION ON JUNE 16, 2018, IF REQUIRED, AND
274 MAKING OTHER PROVISIONS RELATED TO THESE ELECTIONS
275

276 This item was pulled from the agenda by the City Secretary because the runoff date is
277 incorrect. Staff will bring Ordinance 2018-04 back to Council on February 6.
278

279 4.3 Consider and take all appropriate action on first reading of proposed Ordinance 2018-05,
280 "Amending the Water Conservation & Drought Contingency Plan". (Craig / Padgett)
281

282 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SEABROOK, TEXAS
283 AMENDING CHAPTER 95, "UTILITIES", ARTICLE III, "WATER CONSERVATION" AND
284 DROUGHT CONTINGENCY PLAN OF THE CODE OF ORDINANCES OF THE CITY OF
285 SEABROOK, TEXAS BY UPDATING THE UTILITY PROFILE USING THE PREVIOUS
286 FIVE YEARS WATER USE DATA; UPDATING THE WATER CONSERVATION GOALS
287 BASED ON THE HISTORIC USE DATA; SHOWING THE UPDATE TO THE WATER
288 RATE STRUCTURE; AND BY INCORPORATING THE ENTIRE PLAN INTO THE CODE
289 INSTEAD OF BY REFERENCE ONLY, AS DEPICTED IN EXHIBIT "A"
290

291 THIS ORDINANCE PROVIDES A PENALTY OF A FINE NOT TO EXCEED THE SUM OF
292 TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE RELATING TO FIRE
293 SAFETY AND FIVE HUNDRED DOLLARS (\$500.00) FOR ALL OTHER OFFENSES;
294 REPEALS ALL ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT OR IN
295 CONFLICT HEREWITH; PROVIDES FOR SEVERABILITY AND PROVIDES FOR AN
296 EFFECTIVE DATE
297

298 Brian Craig, Assistant Director of Public Works and City Engineer, explained that this is
299 a requirement from the Texas Water Development Board and from TCEQ, and it updates the
300 utility profile and the water conservation goals. There is not a change to the drought contingency
301 plan.
302

303 Motion was made by Councilmember Davis and seconded by Councilmember Picha
304

305 To approve on first reading proposed Ordinance 2018-05, "Amending the Water Conservation &
306 Drought Contingency Plan".
307

308 MOTION CARRIED BY UNANIMOUS CONSENT
309
310

311 **4.4** Consider and take all appropriate action on proposed Resolution 2018-08, "NO WAKE
312 ZONE for the Texas Outlaw Challenge". (Cook)
313

314 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEABROOK, TEXAS,
315 SUPPORTING A NO WAKE ZONE IN AND AROUND THE CLEAR LAKE AREA ON
316 FRIDAY, JUNE 22 AND SUNDAY, JUNE 24, 2018 DURING THE TEXAS OUTLAW
317 CHALLENGE WITH A NEW EVENT ADDED IN 2018, OFFSHORE PERFORMANCE
318 BOAT RACING
319

320 Paul Robinson, event organizer, explained that Friday is the regular Outlaw Challenge
321 that has been done in previous years; Saturday is open recreation day on the lake; and Sunday is
322 back in Clear Lake for the finals and actual offshore races. Event organizers have teamed with
323 Gulf Coast Mariner Magazine and secured the cover of the magazine for May and June.
324

325 Motion was made by Councilmember Adovasio and seconded by Councilmember Llorente
326

327 To approve proposed Resolution 2018-08, "NO WAKE ZONE for the Texas Outlaw
328 Challenge".
329

330 MOTION CARRIED BY UNANIMOUS CONSENT
331

332 **4.5** Consider and take all appropriate action on designation of the Council representative to
333 participate in the Economic Alliance Advocacy trip to Washington D.C. March 19-21, 2018.
334 This is a budgeted item for one representative. (Kolupski)
335

336 Motion was made by Councilmember Davis and seconded by Councilmember Machol
337

338 To designate Mayor Thom Kolupski as the Council representative t to participate in the
339 Economic Alliance Advocacy trip to Washington D.C. March 19-21, 2018.
340

341 MOTION CARRIED BY UNANIMOUS CONSENT
342

343 **4.6** Consider and take all appropriate action on designation of the Council representative to the
344 Citizens for Space Exploration visit to Washington D.C. May 15-17, 2018. This is a budgeted
345 item for one representative. (Kolupski)
346

347 Motion was made by Councilmember Picha and seconded by Councilmember Davis
348

349 To designate Councilmember Joe Machol as the Council representative to the Citizens for Space
350 Exploration visit to Washington D.C. May 15-17, 2018.
351

352 MOTION CARRIED BY UNANIMOUS CONSENT
353
354
355

356 **5. ROUTINE BUSINESS**

357
358 **5.1** Update on the Chesapeake Bay Master Plan and consider and take all appropriate action on
359 an amended schedule for providing updates to the City Council. (Friedrichs)

360
361 Michael Travis with WMF Investments stated that the leasing trailers are moved in
362 behind the Valero, and will be operational in the next 3-4 weeks. There are 120 on the pre-lease
363 list. There are 350-400 feet of utilities in the ground. All permits are pulled.

364
365 Mayor Kolupski suggested that the updates could move from monthly to quarterly, since
366 the work is started and progressing.

367
368 Motion was made by Councilmember Llorente and seconded by Councilmember Machol

369
370 To approve a change from monthly to quarterly updates on the Chesapeake Bay Master Plan.

371
372 MOTION WAS APPROVED BY UNANIMOUS CONSENT

373
374 **5.2** Approve the Action Items Checklist which is attached and made a part of this Agenda.
375 (Council)

376
377 TXDOT – Gayle Cook, City Manager, announced that the Texaco was demolished, and
378 staff has not heard anything on other demolitions. There is a meeting on January 31 with
379 TXDOT, and hopefully questions will be answered. The submittals from the SWA group on
380 design elements are under review at TXDOT. SWA has been receiving comments from TXDOT
381 and SWA is revising the cost estimate, but they have not heard anything back regarding TXDOT
382 agreement or credits. The Deputy City Manager is trying to get confirmation from TXDOT
383 about why the concrete on the KFC and Popeyes sites was not removed. TXDOT will only pull
384 out items paid for by TXDOT and they won't be demolishing or taking out anything behind the
385 Right of Way line. The Community Development Code Enforcement Division is preparing
386 notification letters to property owners in regard to the 30 foot setback to remind owners that they
387 are responsible for demolition that TXDOT compensated them for in their
388 settlements/agreements. If the owners do not follow through, the City can opt to do the work and
389 place liens on properties. Right now TXDOT is double checking their records to make sure there
390 weren't any errors. TXDOT cannot go beyond their taking and make improvements to the
391 property that they don't need for public use. The City's ordinance has a three part test, and one
392 is whether the owner was compensated for those damages. Council elected a uniform look, and
393 gave staff the ability to enforce the setback. The City will have to get documentation from
394 TXDOT that shows the owner was compensated. The Texaco owner knew he was compensated,
395 and he tore down the building. Others are on schedule to be torn down. The City will more than
396 likely have to deal with two or three owners who won't voluntarily be in compliance. CVS is
397 still under major construction, but their move is on track. Typically, construction is completed
398 in about 90 days. AutoZone is dealing with telecommunication issues and is hoping to have a
399 resolution within two months. The City is looking into whether it can assist because the land
400 was part of the land swap for the water tower.

401 Projects – Ms. Cook explained that staff is working on closing out the new Public Works
402 Complex project, but there is still a fence issue with a substantial 18 inch gap in the chainlink
403 fence. Contractor says it was built according to the plan specs, but there is a dispute as to which
404 plan was used. To remedy the situation, all electrical box conduit and cement footing would
405 have to be ripped out and the fence dismantled. The Public Works Director came up with an
406 alternative that the architect to reviewing. The City is holding \$240,000 in retainage. After the
407 recent cold spell, the heating system at Animal Control was not working properly and 16 man
408 hours were spent to get it working.
409

410 Grants – Ms. Cook stated that staff has been working with the FEMA representative and
411 the consultant, who is diligently working to obtain City reimbursements of about \$719,000 on all
412 projects (not mitigation). Have of the \$719,000 is overtime. The Director of Public Works has
413 found a new grant opportunity for an upgrade to the SCADA system through HGAC's terrorism
414 grant. The upgrade does not meet the description through the terrorism grant, but the grant
415 administrator liked the idea and is working with the Public Works Director to find funding
416 opportunities.
417

418 Motion was made by Councilmember Davis and seconded by Councilmember Johnson
419

420 To approve the Action Items Checklist
421

422 MOTION CARRIED BY UNANIMOUS CONSENT
423

424 **5.3 Establish future meeting dates and agenda items. (Council)**
425

426 The next City Council meeting will be held on February 6, 2018.
427

428 Upon motion duly made and seconded, Mayor Kolupski adjourned the meeting at 8:56 p.m.
429

430 Approved this 6th day of February, 2018.
431
432
433

434
435
436
437
438



439 Robin Hicks, TRMC
440 City Secretary



439
440


Thomas G. Kolupski
Mayor